## STATE OF ILLINOIS SECRETARY OF STATE SECURITIES DEPARTMENT

IN THE MATTER OF: NETWORKER2000 A/K/A/ N2K,

WEALTH BUILDERS INTERNATIONAL

THEIR OFFICERS, DIRECTORS,

EMPLOYEES, AFFILIATES, SUCCESSORS,)

AGENTS AND ASSIGNS, AND

TERRY HARRIS

)File No. 0300182

)

## CONSENT ORDER OF PROHIBITION AND FINE

TO THE RESPONDENTS:

Terry Harris Networker2000

Wealth Builders International

C/O Gerald Nehra Attorney at Law 1710 Beach Street

Muskegon, Michigan 49441

WHEREAS, Terry Harris, Networker2000 A/K/A N2K, and Wealth Builders International (the "Respondents") on August 12, 2004, executed a certain Stipulation To Enter Consent Order of Prohibition and Fine (the "Stipulation"), which hereby is incorporated by reference herein.

WHEREAS, by means of the Stipulation, the Respondents have admitted to the jurisdiction of the Secretary of State and service of the Notice of Hearing in this matter and the Respondent has consented to the entry of this Consent Order of Prohibition and Fine.

WHEREAS, the Secretary of State, by and through his designated representative, the Securities Director, has determined that the matter related to the aforesaid formal hearing may be dismissed without further proceeding.

WHEREAS, the Respondents has acknowledged that the allegations contained in paragraph eight (7) of the Stipulation

shall be adopted as the Secretary of State's Findings of Fact as follows:

- That Respondent, Networker2000 A/K/A N2K ("Networker2000"), is a purported business entity, with a last known address of 8315-E 1<sup>st</sup> Ave. North, Birmingham, AL 35206;
- That Respondent, Wealth Builders International, is a purported business entity, with a last known address of P.O. Box 55907, Birmingham, AL 35255;
- 3. That at all times relevant the Respondent, Terry Harris, was an officer, director, agent or employee of Networker2000 and Wealth Builders International;
- 4. That between May 1, 2002 and February 30, 2003, Networker2000, Wealth Builders International, and Terry Harris, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, offered to at least one (1) Illinois resident, an investment program where, upon payment of \$35.00 per month, the Illinois resident would receive at least \$1.00 per month for every additional individual the Illinois resident recruited into membership in Networker2000, representing that the Illinois Resident could earn up to \$21,920 per month as a participant in this program; Respondent further represented that upon recruitment of at least three individuals into Networker2000, the Illinois resident would become eligible to become members of Wealth Builders International, where, for a minimum deposit/investment of \$100 from the Illinois resident, Respondents invested said deposit/investment in the stock market based solely on Respondent's discretion, knowledge and experience without benefit of input from the Illinois resident investor; Respondent further represents that they will focus on trading options that yield a return of 200% or more;
- 5. That the above-referenced investment program is an investment contract and is a security as that term is defined pursuant to Section 2.1. of the Illinois Securities Law of 1953 [815 ILCS 5/1 et seq.] (the "Act");
- 6. That Section 5 of the Act provides, <u>inter</u> <u>alia</u>, that all securities except those exempt under Section 3 of the Act or those offered and sold in transactions exempt under Section

- 4 of the Act shall be registered with the Secretary of State prior to their offer or sale in the State of Illinois;
- 7. That Section 12.A of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to offer or sell securities except in accordance with the provisions of the Act;
- 8. That Section 12.D of the Act provides, <u>inter alia</u>, that it shall be a violation of the Act for any person to fail to file with the Secretary of State any document or application required to be filed under the provisions of the Act;
- 9. That at all times relevant hereto, Networker2000, Wealth Builders International, and Terry Harris, by and through their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, failed to file an application for registration of the above-referenced securities with the Secretary of State prior to their offer or sale in the State of Illinois;
- 10. That by virtue of the foregoing, Networker2000, Wealth Builders International, and Terry Harris, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns have violated Sections 12.A and 12.D of the Act;
- 11. That Section 11(E)(2) of the Act provides, inter alia, that if the Secretary of State shall find that any person has violated subsection D of Section 12 of the Act, the Secretary of State may by written order prohibit the person from offering or selling any securities in this State;
- 12. That Section 11(E)(3) of the Act provides, inter alia, that if the Secretary of State finds that any person is engaged or has engaged in the business of selling or offering for sale securities as a dealer or salesperson without prior thereto and at the time thereof having complied with the registration requirements of the Act, the Secretary of State may by written order prohibit such person from engaging in the business of selling or offering for sale securities in this State;
- 13. That Section 11.E(4) of the Act provides, <u>inter alia</u>, that if the Secretary of State, after finding that any provision of the Act has been violated, may impose a fine as provided by rule, regulation or order not to exceed \$10,000.00 for

each violation of the Act, as well as an order of censure and the costs of investigation and reasonable expenses;

14. That by virtue of the foregoing, the Respondents, Networker2000, Wealth Builders International, and Terry Harris, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, are subject to a fine of up to \$10,000.00 per violation, costs of investigation, reasonable expenses, an order of censure, and an order which permanently prohibits the Respondents from offering or selling securities in the State of Illinois.

WHEREAS, the Respondent has acknowledged that the allegations contained in paragraph nine (8) of the Stipulation shall be adopted as the Secretary of State's Conclusions of Law as follows:

- That by virtue of the foregoing, the Respondents, Networker2000, Wealth Builders International, and Terry Harris, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns have violated Sections 12.A and 12.D of the Act;
- 2. That by virtue of the foregoing, the Respondents, Networker2000, Wealth Builders International, and Terry Harris, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns, are subject to a fine as provided by rule, regulation or order not to exceed \$10,000.00 for each violation of the Act, as well as the costs of investigation and reasonable expenses, an order of censure, and an order which permanently prohibits Respondents, Networker2000, Wealth Builders International, and Terry Harris, their Officers, Directors, Employees, Affiliates, Successors, Agents and Assigns from offering or selling securities in the State of Illinois.

## NOW THEREFORE IT IS HEREBY ORDERED THAT:

- 1. The foresaid allegations contained in the Stipulation shall be and are hereby adopted as the Secretary of State's Findings of Fact and Conclusions of Law;
- 2. The Respondent shall be permanently prohibited from offering and selling securities in the State of Illinois, and;

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3. Respondent shall, within 30 days of the entry of the aforesaid Consent Order, pay a fine in the amount of \$1,000 to the Illinois Secretary of State, and that such payment will be made by money order or cashier's check payable to the Illinois Secretary of State.

ENTERED: This 18th day of August, 2004.

Besse White

Secretary of State State of Illinois

Failure to comply with the terms of this Order shall be a violation of Section 12(D) of the Illinois Securities Law of 1953 [815 ILCS 5] (the "Act"). Any person or entity who fails to comply with the terms of this Order of the Secretary of State, having knowledge of the existence of this Order, shall be guilty of a Class 4 felony.

Attorney for the Secretary of State Johan Schripsema Illinois Securities Department 520 South Second Street Springfield, Illinois 62701 Telephone: (217) 524-1688

Hearing Officer: Jon K. Ellis Attorney at Law 1035 South 2<sup>nd</sup> Street Springfield, Illinois 62704